

Velan Hotels Limited, Tirupur.  
41 Kangayam Road, Tirupur- 641 604. Ph :++91-421-4311111, 2424444  
Fax :++91-421 - 2424434 Email:accounts@velanhotels.com  
CIN: L55101TZ1990PLC002653

**Statement of Standalone Unaudited Financial Results for the Quarter Ended 30 June 2022** -

Sl. No	Particulars	Quarter Ended			Year Ended
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
		Unaudited	Audited	Unaudited	Audited
1	Net Sales (net of duties)/Income from operations	-	-	-	-
2	Other income	1.60	-	-	-
3	<b>Total income</b>	<b>1.60</b>	-	-	-
4					
	a) Cost of materials consumed	-	-	-	-
	b) Purchases of Stock-in-trade progress	-	-	-	-
	c) Employee benefits expenses	4.25	3.15	4.05	13.86
	d) Finance costs	0.60	0.03	0.02	0.06
	e) Depreciation and amortisation expenses	39.34	49.45	25.34	123.68
	f) Power & Fuel	0.66	-	0.25	0.38
	f) Other expenses	7.07	7.42	5.17	135.31
	<b>Total expenses</b>	<b>51.91</b>	<b>60.05</b>	<b>34.83</b>	<b>273.29</b>
5	Profit/(loss) before exceptional and tax	(50.31)	(60.05)	(34.83)	(273.29)
6	Exceptional items (net credit/charge)	(175.38)	-	-	1,211.02
7	<b>Profit/(loss) before tax</b>	<b>(225.69)</b>	<b>(60.05)</b>	<b>(34.83)</b>	<b>937.73</b>
8	Tax expenses				
	a. Current Tax	-	-	-	-
	b. Deferred tax credit/(charge)	-	-	-	-
	c. Income tax for earlier years	3.73	-	-	-
	d. Mat credit Entitlement	-	-	-	-
9	<b>Profit/(loss) for the period from continuing operations</b>	<b>(229.42)</b>	<b>(60.05)</b>	<b>(34.83)</b>	<b>937.73</b>
10	Profit/(loss) from discontinued operations before tax	-	-	-	-
11	Tax expenses of discontinued operation	-	-	-	-
12	Profit/(loss) from discontinued operations after Tax	-	-	-	-
13	<b>Profit/(loss) for the period</b>	<b>(229.42)</b>	<b>(60.05)</b>	<b>(34.83)</b>	<b>937.73</b>
14	Other comprehensive income for the period (net of tax)	-	-	-	-
15	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>(229.42)</b>	<b>(60.05)</b>	<b>(34.83)</b>	<b>937.73</b>
16	Paid up equity share capital (face value Rs.10/- per share)	3,196.41	3,196.41	3,196.41	3,196.41
17	Reserves Excluding Revaluation reserves				(1,270.83)
18	a) Earnings per share				
	Basic	(0.72)	(0.19)	(0.11)	2.93
	Diluted	(0.72)	(0.19)	(0.11)	2.93
<b>Notes:</b>					
1)	The financials have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of The Companies Act, 2013 read with Rule 3 of The Companies (Indian Accounting Standards) Rules, 2015 and relevant amendments thereafter.				
2)	The above Financial results have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the company held on 12 August 2022.				
3)	The Company has assessed the possible impact of COVID-19 in preparation of the standalone interim financial results, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. The Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. The impact of Covid-19 may be different from that estimated as at the date of approval of these standalone interim financial results and the Company will continue to closely monitor any material changes				
4)	The company had suspended all the revenue generating operations w.e.f 24 Mar 2020. The company is exploring options of selling a part or all of its revenue generating assets to settle all liabilities. In view of the above, the Company's ability of continuing as a Going concern is dependent on the value that can be generated by the sale of assets and the surplus, if any, available subsequent to the settlement of all liabilities. In view of the uncertainty on the realisable values, the impairment to the value of assets is not ascertainable at this juncture.				



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Statement of Standalone Unaudited Financial Results for the Quarter Ended 30 June 2022

5) The Company's account was categorized as NPA by Allahabad Bank and Andhara Bank during the year 2014. In April, 2017, the said Banks assigned the entire debts of the Company alongwith all underlying security interest, all rights, title & benefits to M/s.RARE Asset Reconstruction Limited (previously known as Raytheon Asset Reconstruction Private Limited) under the applicable provisions of the SARFAESI Act. The Company opted for One-Time Settlement offer with the said ARC and obtained in-principle approval from them during March, 2021 and also final approval has been received.

As per terms of in-principle approval, the company has already paid Rs.30 crores on 30th March, 2021 from the proceeds of sale of Shopping Mall and part of Multiplex properties and paid Rs.10 crore from the proceeds of sale of Hotel at Coonoor and Rs.2.68 crore from the advances received for sale of power plant during the previous year.

6) During this Quarter, the Company has sold part of vacant land ad measuring 5168.88 sq.mtr to M/s. ESSA Garments Private Limited for a total consideration of Rs.7,30,25,000 and loss of Rs.1,75,38,426/- has been recognised under Exceptional item in this financial statement. Out of total Consideration the company has paid Rs.5,00,00,000 to M/s.Rare Asset Reconstruction Limited (ARC).

7) During this quarter, the Managing director of the company has infused sum of Rs. 11.30 Crore as unsecured loan to meet the repayment obligation to M/s.Rare Asset Reconstruction Limited (ARC) vide Note 5 above.

8) There has been delay in meeting the statutory obligations and dues relating to Goods & Services Tax, Value Added Taxes and Service Tax are overdue by more than 12 months.

During this quarter, the company has paid dues relating to Provident Fund, Sales Tax and Tax Deducted at sources for Earlier Years amounting to Rs.19.85 Lacs. The Company is taking necessary steps to settle the balance Statutory Dues as and when the sale of assets are completed.

9) Effective 1 April 2019, the Company has adopted "IndAS-116-Leases".This standard is not having any material impact to these financial statements of the company.

10) Confirmation of balances have not obtained for Loans and Advances and Sundry Creditors and accordingly the respective figures have been stated at book values.

11) The status of pending litigations filed by Bankers and Statutory Authorities against the company remains status quo as reported in previous quarters. No additional litigations have been brought to the Company's notice.

12) No Provision for Gratuity /Leave encashment has been considered during the period due to all the employees of the company except KMP have resigned and there being no eligible employees during the period under review.

13) In view of the Accumulated Business and Depreciation Loss, and there being no certainty of profits in the near future, provision for Deferred Taxes has not been considered in these financial statements for the Quarter ended 30th June 2022.

14) Previous period/year figures have been regrouped and/or reclassified,wherever necessary.

Date: 12.08.2022  
Place: Tirupur

For and on behalf of the Board  
Sd.E.V.Muthukumara Ramalingam  
Managing Director.

For VELAN HOTELS LIMITED

M. Srinivasan  
Company Secretary

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Segment-wise Revenue, Result and capital employed for the Quarter ended 30th June 2022					
S no	Particulars	Quarter Ended			Year Ended
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
		Unaudited	Audited	Unaudited	Audited
1	<b>Segment Revenue</b>				
	(Net sales/Income)				
	a) Guest Accommodation and other	-	-	-	-
	b) Food Beverages	-	-	-	-
	<b>Total</b>	-	-	-	-
	Less : Intersegment Revenue		-	-	-
	<b>Net sales/income from operations</b>	-	-	-	-
2	<b>Segment results</b>				
	(profit/loss before interest & tax)				
	a) Guest Accommodation and other	(35.98)	(41.48)	(24.62)	(168.47)
	b) Food Beverages	(15.34)	(18.55)	(10.19)	(104.76)
	<b>Total</b>	<b>(51.31)</b>	<b>(60.02)</b>	<b>(34.81)</b>	<b>(273.23)</b>
	Less: i) interest	(0.60)	(0.03)	(0.02)	(0.06)
	ii) Other unallocable expenditure net off	(175.38)	-	-	1,211.02
	iii) Un-allocable income	1.60	-	-	-
	<b>Total profit/(Loss) Before tax</b>	<b>(225.69)</b>	<b>(60.05)</b>	<b>(34.83)</b>	<b>937.73</b>
3	<b>Capital Employed</b>				
	(segment assets-segment liabilities)				
	<b>Segment Assets</b>				
	a) Guest Accommodation and other	4,829.70	5,655.99	3,877.21	5,655.99
	b) Food Beverages	3,398.34	4,035.64	6,939.09	4,035.64
	c) Unallocated	-	-	-	-
	<b>Total Segment Assets</b>	<b>8,228.04</b>	<b>9,691.63</b>	<b>10,816.30</b>	<b>9,691.63</b>
	<b>Segment Liabilities</b>				
	a) Guest Accommodation and other	3,872.77	4,648.80	5,933.31	4,648.80
	b) Food Beverages	1,766.38	2,224.53	3,037.23	2,224.53
	c) Unallocated	314.96	314.96	314.96	314.96
	<b>Total</b>	<b>5,954.11</b>	<b>7,188.28</b>	<b>9,285.50</b>	<b>7,188.28</b>
Notes on Segment reporting:					
1. As per Ind AS 108 - Operating Segments, the Company has identified Guest Accommodation and Food and Beverage as reportable segment for the period under review.					
2. Figures have been regrouped and reclassified wherever necessary					
Date: 12.08.2022					
Place: Tirupur					
Sd.E.V.Muthukumara Ramalingam					

For VELAN HOTELS LIMITED

*M. Saravanan*  
Company Secretary